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Message Text

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ORIGIN AF-10

INFO OCT-01 ISO-00 EA-07 ERDA-05 AID-05 CEA-01 CIAE-00
COME-00 EPG-02 DODE-00 EB-07 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06
OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 PA-01
PRS-01 /108 R

DRAFTED BY AF/C:EMARKS:GJ0
APPROVED BY AF/C:TRBUCHANAN
----------262233Z 066205 /21
P 262028Z MAY 77
FM SECSTATE WASHDC
TO AMEMBASSY KINSHASA PRIORITY

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E.O. 11652: N/A

TAGS: CG, EINV

SUBJECT: NEW ZAIRIAN PETROLEUM EXPORT TAX

1. GULF OIL BECOMING INCREASINGLY CONCERNED ABOUT GOZ INSISTENCE ON EXPORT TAX ON PETROLEUM EXPORTS; THEY HAVE RECEIVED A BILL FOR TAXES DUE. RETIRED AMBASSADOR SHELDON VANCE (NOW IN PRIVATE LAW PRACTICE) HAS BEEN RETAINED BY GULF TO REPRESENT THEM VIS-A-VIS GOZ. HE NOW PLANS TO ARRIVE KINSHASA EARLY NEXT WEEK.

2. AMBASSADOR VANCE TOLD DEPTOFF GULF BELIEVES GOZ POLICY ON NEW EXPORT TAX RESULTS FROM IMF OPINION THAT GULF-GOZ CONTRACT SHORTS ZAIRE OF NEEDED REVENUE IN FIRST FEW YEARS OF OPERATION. GULF HAS BEEN PROTESTING BUT ITS POSITION IS MADE SOMEWHAT WEAKER BY NECESSITY TO MAKE NEW INVESTMENT (WATER INJECTION IN WELLS) IF PRODUCTION TO BE
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MAINTAINED. GULF IS CLAIMING THA' NEW EXPORT TAX WILL MAKE THIS ADDITIONAL INVESTMENT UNECONOMIC. PRODUCTION NEEDS, HOWEVER, REQUIRE THAT THIS NEW INVESTMENT BE MADE VERY SOON AND GULF IS AWARE THAT CONJUNCTION OF PROTEST ABOUT NEW TAX AND IMPLIED T;REAT TO CEASE PRODUCTION (I.E. BY NOT IMPLEMENTING WATER INJECTION PROJECT) WILL ONLY CONFIRM GOZ SUSPICIONS OF GULF'S PERFIDY.

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3. AMBASSADOR VANCE SAYS HE TRYING TO CONVINCE GULF
TO MAKE NEW OFFER TO GOZ WHICH WILL PROVIDE GOVERNMENT
WITH SIGNIFICANTLY INCREASED REVENUE IN SHORT TERM. HE
IMPLIED HE WILL DECLINE GULF REQUEST HE RE,RESENT THEM
IN KINSHASA UNLESS THEY ARE PREPARED TO MAKE REASONABLE
COMPROMISE. VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CUSTOMS DUTIES, PETROLEUM
Control Number: n/a
Copy: SINGLE
Sent Date: 26-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE122031
Document Source: CORE
Document Unique ID: 00
Drafter: EMARKS:GJ0
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770189-0115
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770513/aaaaakzv.tel
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Litigation History:
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Office: ORIGIN AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2351901
Secure: OPEN
Status: NATIVE
Subject: NEW ZAIRIAN PETROLEUM EXPORT TAX
TAGS: EINV, ENRG, CG
To: KINSHASA
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/75583289-c288-dd11-92da-001cc4696bcc
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